

1. On or about October 15, 2001, in United States v. Michael A. Mirando, Case No. 1:01CR341, the United States District Court for the Northern District of Ohio, Eastern Division, entered a judgment against MICHAEL A. MIRANDO for attempting to evade income taxes that were due and owing the United States Treasury Department for the years 1995 and 1996 and for other offenses. After that judgment, MICHAEL A. MIRANDO owed personal income taxes plus penalties and interest of over \$440,000 for the tax years of 1995, 1996, 2000 and 2004 to the United States Department of Treasury.

2. In or about February 1999, MICHAEL A. MIRANDO was alerted that he was the target of a criminal tax investigation by the Internal Revenue Service and, thereafter, vowed to never pay income taxes again.

3. Beginning in or about 2000 and continuing until 2007, including the time he pretended to be cooperating with the government, MICHAEL A. MIRANDO took affirmative steps to evade the payment of his tax liability, which included orchestrating a "sham divorce" to hide assets, using bank accounts in nominee names, and concealing assets in various trusts and limited partnerships with his wife and their children as the nominees and obvious beneficiaries while MICHAEL A. MIRANDO maintained full access and control.

HIDING ASSETS

4. On May 21, 1999, a check, drawn on the First Merit bank account of MICHAEL A. MIRANDO, was written to "The National Foundation Asset Protection." The memo section of the check was noted "conference".

5. On June 15, 1999, a Limited Partnership entitled "The Michael & Sharon Mirando Limited Partnership #1" was created listing the general partners as MICHAEL A. MIRANDO 1% owner, his now ex-wife 1% owner, and limited partners as MICHAEL A. MIRANDO 44% owner, his now ex-wife 44% owner, and their two sons as 5% owners each. Schedule A of the limited partnership agreement listed assets of First Merit checking account number 1018056374 in the name of his now ex-wife and securities at McDonald and Company in the names of MICHAEL A. MIRANDO and their two sons. Schedule A also listed the contributions of MICHAEL A. MIRANDO and his now ex-wife as \$350,000, with their children's combined contribution being \$10,000. MICHAEL A. MIRANDO and his now ex-wife used the limited

partnership agreement to open an investment account at McDonald & Company controlled by MICHAEL A. MIRANDO.

6. On October 11, 1999, MICHAEL A. MIRANDO and his now ex-wife sold a Florida vacation condominium they owned in his now ex-wife's name for \$131,000.00. A check from Lawyer's Title Insurance Florida for \$118,877.82, the net proceeds of the sale, was deposited into the bank account of MICHAEL A. MIRANDO's now ex-wife controlled by MICHAEL A. MIRANDO.

7. In June of 2000, the Mirando Family Partnership, Ltd., another partnership MICHAEL A. MIRANDO had created to shield assets, purchased property located at 301 N. Atlantic Avenue Unit #605, Cocoa Beach, Fl. The Mirando family used this property as a vacation home and also rented it several months of the year. The value of the property, at all relevant times, has been approximately \$800,000. The Mirando Family Partnership, Ltd. did not use a mortgage to purchase the property. Rather, this property was purchased using the proceeds of assets liquidated by MICHAEL A. MIRANDO.

SHAM DIVORCE

7. In October 2000, MIRANDO and his wife voluntarily ended their marriage via dissolution in the state of Florida.

8. On or about November 2000, in the month following the "divorce," MICHAEL A. MIRANDO prepaid his child support obligation which was due in installments of \$1,999.81 per month in two lump sum payments totaling \$61,999.36.

9. After the October 15, 2001, judgment was entered against him, MICHAEL A. MIRANDO, at his request, was placed in a federal facility in Florida so that he could be near his ex-wife who had relocated to Florida.

10. After leaving the federal custody, MICHAEL A. MIRANDO began living again with his "ex-wife" in Jefferson, Ohio.

COUNT 1

(Conspiracy to Defraud the United States: Title 18 U.S.C. § 371)

1. The allegations contained in paragraphs 1- 10 of the General Allegations of this information are realleged and incorporated by reference in this count as if fully set forth therein.

2. From a date in or about February 1999, until on or about the date of this Indictment, the exact dates being unknown to the Grand Jury, in the Northern District of Ohio, Eastern Division and elsewhere, MICHAEL A. MIRANDO, defendant herein, and others known and unknown to the Grand Jury, did unlawfully, voluntarily, intentionally and knowingly conspire, combine, confederate and agree together and with each other and with other individuals known and unknown to the Grand Jury to defraud the United States for the purpose of impeding, impairing, obstructing, and defeating the lawful Government functions of the Internal Revenue Service of the United States Department of Treasury in the ascertainment, computation, assessment, and collection of the revenue: to wit, income taxes and to evade payment of personal income taxes in violation of Title 26, United States Code, Section 7201.

Objects of the Conspiracy

3. The objects of the conspiracy were to obstruct and defeat the lawful functions of the Internal Revenue Service and to willfully attempt to evade and defeat payment of income taxes due and owing by MICHAEL A. MIRANDO for the tax years 1995, 1996, 2000 and 2004, by concealing and attempting to conceal from the Internal Revenue Service the nature and extent of his income and assets and the location thereof.

Manner and Means of the Conspiracy

4. The manner and means by which the conspiracy was carried out included, among others, the following:

a. MICHAEL A. MIRANDO and others known and unknown to the Grand Jury placed funds and assets in the names of nominee accounts, trusts and limited partnerships to which MICHAEL A. MIRANDO had full access and control.

b. MICHAEL A. MIRANDO and others known and unknown to the Grand Jury orchestrated a sham divorce from his then wife.

c. MICHAEL A. MIRANDO and others known and unknown to the Grand Jury provided false financial statements under the penalty of perjury to the Internal Revenue Service.

d. MICHAEL A. MIRANDO and others known and unknown to the Grand Jury provided financial information to the universities that his two sons attended which MICHAEL A. MIRANDO then knew to falsely understate MICHAEL A. MIRANDO's income and assets in order to assist his sons in obtaining need-based financial aid for which they otherwise would not have qualified.

Overt Acts

5. In furtherance of the conspiracy, and to achieve its object, the following overt acts, among others, were committed and caused to be committed in the Northern District of Ohio, Eastern Division, and elsewhere:

FALSE STATEMENT TO THE IRS

6. On October 18, 2004, MICHAEL A. MIRANDO facsimiled a form entitled Collection Information Statement for Wage Earners and Self-Employed Individuals (hereinafter "financial statement") bearing his signature made under the penalties of perjury to an IRS Office in Painesville, Ohio. In this financial statement, MICHAEL A. MIRANDO made the following declarations which he then knew to be false, among others:

a) that he resided with his mother at 654 Detroit Street, Conneaut, Ohio, when he well knew that he lived with his ex-wife at 122 North Market, Jefferson, Ohio;

b) that he was not a beneficiary of a trust, when he well knew that he benefitted from and had full access and control over various family trusts he had created in order to hide assets from the IRS; and

c) that he had no personal assets such as jewelry, artwork, antiques, or coins when he well knew that he had hidden assets such as these in the names of his ex-wife, family trusts and limited partnerships.

HIDING TAXABLE INCOME

7. In July 2005, to avoid having taxable income accumulated under his personal social security number, MICHAEL A. MIRANDO hired himself out as a contract employee

working under the business name of "Advice and Consent" and used the Employer Identification Number associated with that business instead of his own social security number.

FALSE FINANCIAL AID APPLICATIONS

8. In or about Fall 2006 and Spring 2007, MICHAEL A. MIRANDO assisted his son in submitting financial information to Kent State University which MICHAEL A. MIRANDO then knew to be false in order for his son to receive need-based financial aid, in the amount of \$5,800.00.

9. In or about Fall 2005, Spring 2006, Fall 2006 and Spring 2007, MICHAEL A. MIRANDO assisted his son in submitting financial information to Case Western Reserve University which MICHAEL A. MIRANDO then knew to be false in order for his son to receive need-based financial aid in the amount of \$37,870.00.

All in violation of Title 18, United States Code, Section 371.

COUNT 2

(Evasion of Payment of Income Taxes: Title 26 U.S.C § 7201 and Title 18 U.S.C § 2)

On or about October 16, 2001 and continuing until May 2007, in the Northern District of Ohio, Eastern Division, MICHAEL A. MIRANDO, defendant herein, a resident of Ashtabula, Ohio, who was married during the calendar year 1995, and others known and unknown to the Grand Jury, aiding and abetting each other, did willfully attempt to evade and defeat payment of income tax of \$37,179 due and owing by MICHAEL A. MIRANDO and his spouse to the United States of America for calendar year 1995 by concealing and attempting to conceal from the Internal Revenue Service the nature and extent of his income and assets by, among other things, (1) orchestrating a "sham divorce" to hide assets, (2) using bank accounts in nominee

names, (3) providing false financial information to the IRS, and (4) concealing assets in various trusts and limited partnerships with his wife and their two sons as the nominees and obvious beneficiaries while MICHAEL A. MIRANDO maintained full access and control, as described in paragraphs 4 through 10 of the General Allegations and by engaging in the overt acts set forth in paragraphs 6 through 9 of Count 1. All in violation of Title 26, United States Code, Section 7201 and Title 18, United States Code, Section 2.

COUNT 3

(Evasion of Payment of Income Taxes: Title 26 U.S.C § 7201 and Title 18 U.S.C § 2)

On or about October 16, 2001 and continuing until May 2007, in the Northern District of Ohio, Eastern Division, MICHAEL A. MIRANDO, defendant herein, a resident of Ashtabula, Ohio, who was married during the calendar year 1996, and others known and unknown to the Grand Jury, aiding and abetting each other, did willfully attempt to evade and defeat payment of income tax of \$64,535 due and owing by MICHAEL A. MIRANDO and his spouse to the United States of America for calendar year 1996 by concealing and attempting to conceal from the Internal Revenue Service the nature and extent of his income and assets by, among other things, (1) orchestrating a "sham divorce" to hide assets, (2) using bank accounts in nominee names, (3) providing false financial information to the IRS, and (4) concealing assets in various trusts and limited partnerships with his wife and their two sons as the nominees and obvious beneficiaries while MICHAEL A. MIRANDO maintained full access and control, as described in paragraphs 4 through 10 of the General Allegations and by engaging in the overt acts set forth in paragraphs 6 through 9 of Count 1. All in violation of Title 26, United States Code, Section 7201 and Title 18, United States Code, Section 2.

COUNT 4

(Evasion of Payment of Income Taxes: Title 26 U.S.C § 7201 and Title 18 U.S.C § 2)

On or about October 16, 2001 and continuing until May 2007, in the Northern District of Ohio, Eastern Division, MICHAEL A. MIRANDO, defendant herein, a resident of Ashtabula, Ohio, and others known and unknown to the Grand Jury, aiding and abetting each other, did willfully attempt to evade and defeat payment of income tax of \$47,401 due and owing by MICHAEL A. MIRANDO to the United States of America for calendar year 2000 by concealing and attempting to conceal from the Internal Revenue Service the nature and extent of his income and assets by, among other things, (1) orchestrating a "sham divorce" to hide assets, (2) using bank accounts in nominee names, (3) providing false financial information to the IRS, and (4) concealing assets in various trusts and limited partnerships with his wife and their two sons as the nominees and obvious beneficiaries while MICHAEL A. MIRANDO maintained full access and control, as described in paragraphs 4 through 10 of the General Allegations and by engaging in the overt acts set forth in paragraphs 6 through 9 of Count 1. All in violation of Title 26, United States Code, Section 7201 and Title 18, United States Code, Section 2.

COUNT 5

(Evasion of Payment of Income Taxes: Title 26 U.S.C § 7201 and Title 18 U.S.C § 2)

On or about April 16, 2005 and continuing until May 2007, the Northern District of Ohio, Eastern Division, MICHAEL A. MIRANDO, defendant herein, a resident of Ashtabula, Ohio, and others known and unknown to the Grand Jury, aiding and abetting each other, did willfully attempt to evade and defeat payment of income tax of \$5,256 due and owing

by MICHAEL A. MIRANDO to the United States of America for calendar year 2004 by concealing and attempting to conceal from the Internal Revenue Service the nature and extent of his income and assets by, among other things, (1) orchestrating a “sham divorce” to hide assets, (2) using bank accounts in nominee names, (3) providing false financial information to the IRS, and (4) concealing assets in various trusts and limited partnerships with his wife and their two sons as the nominees and obvious beneficiaries while MICHAEL A. MIRANDO maintained full access and control, as described in paragraphs 4 through 10 of the General Allegations and by engaging in the overt acts set forth in paragraphs 6 through 9 of Count 1. All in violation of Title 26, United States Code, Section 7201 and Title 18, United States Code, Section 2.

A TRUE BILL.

Original document – Signatures on file with the Clerk of Courts, pursuant to the E-Government Act of 2002.